

FEB 29 1952

~~SECRET~~  
SECURITY INFORMATION

CENTRAL INTELLIGENCE AGENCY  
OFFICE OF NATIONAL ESTIMATES

28 February 1952

SUBJECT: TERMS OF REFERENCE: NIE-61: CONSEQUENCES OF THE LOSS OF THE  
INDIAN SUBCONTINENT TO COMMUNIST CONTROL  
(Revised draft for Board consideration)

SCOPE

This estimate is to be primarily an assessment of the strategic importance of the Indian subcontinent. No attempt will be made to estimate whether or not the area will actually come under Communist control. It will merely be assumed that an indigenous Communist regime prepared to cooperate with the USSR and Communist China has come to power by its own efforts. The estimate will be projected on the basis of the present world situation and will not consider the effects of prior Communist assumption of power in Southeast Asia and/or the Middle East. Because the gain to the Soviet bloc from a Communist subcontinent would not necessarily equal the loss to the West, and vice versa, it will be necessary, at least in the contribution stage, to analyze most factors from both points of view.

~~CONFIDENTIAL~~

SECRET

QUESTIONS BEARING ON THE PROBLEM

I. WHAT WOULD BE THE MILITARY CONSEQUENCES OF COMMUNIST CONTROL OF THE SUBCONTINENT?

- A. To what extent could the military potential of the subcontinent contribute to overall Western military capabilities?
1. What is the present strength and combat effectiveness of the ground, air and naval forces of the subcontinent?
  2. To what extent are present subcontinent military forces capable of resisting Communist aggression from Southeast Asia? from the Middle East?
  3. To what use could the West put the subcontinent's manpower, ports, airbases and other facilities in the event of hostilities in the Middle East? the Far East? elsewhere?
- B. What is the potential positive contribution (as distinguished from the negative advantage of denying to the West the forces and facilities listed above) the subcontinent could make to overall Soviet bloc military capabilities?
1. Under Communist control, to what extent could the strength and combat effectiveness of the subcontinent's ground, air and naval forces be increased without Soviet bloc assistance? with Soviet bloc assistance?

CONFIDENTIAL

**SECRET**

2. Under Communist control, what specific capabilities could be developed for:
  - a. Offensive operations against the Middle East and the Far East (including Afghanistan and Ceylon?)
  - b. Interfering with Western communications in the Middle East and the Far East?
  - c. Defending the Far East and the Middle East if those areas were all under Communist control?
3. What limitations might there be on the development of the capabilities in 1 and 2 above:
  - a. Soviet reluctance to build a strong military power on the subcontinent?
  - b. Soviet bloc inability to supply the necessary technical and material assistance?
  - c. Diversion of forces for maintaining internal security?
  - d. Transportation and communications difficulties?
  - e. Other?

- 3 -

**CONFIDENTIAL**  
**SECRET**

SECRET

II. WHAT WOULD BE THE ECONOMIC CONSEQUENCES OF COMMUNIST CONTROL OF THE SUBCONTINENT?

NOTE: The questions in Sections II-A and II-B are substantially the same as those in the terms of reference for NIE-56, dated 16 November 1951, and NIE-56 contributions should suffice for this estimate.

A. What economic resources of the subcontinent are of actual or potential importance to the US? to US allies? to the Middle East? Resources of importance should be discussed under the following headings:

1. Natural resources:

- a. Items of actual or potential importance (list).
- b. Extent and availability.
- c. The degree to which the US depends on them, both for its own needs and for present and anticipated US contributions to allies. Differentiate if necessary between needs for consumption at current program levels and for stockpiling against the event of general war.
- d. The degree to which allies of the US depend on them.
- e. Outstanding respects in which other non-Communist countries depend on them.

- 4 -

CONFIDENTIAL

SECRET

2. Agricultural:

a-e (Same as II-A-1)

3. Industrial resources:

a-e (Same as II-A-1)

4. Manpower for economic purposes (state whether skilled or unskilled):

a-e (Same as II-A-1)

5. Transportation facilities:

a-e (Same as II-A-1)

B. What factors might affect the ability of the US and its allies to exploit these resources?

1. Political stability.

2. Government policies that may affect availability of resources. (e.g., nationalization plans.)

3. Economic and social factors affecting availability.

C. To what extent could the existing economic resources of the subcontinent increase the economic war potential of the Soviet bloc?

D. Under Communist control, to what extent might the potential economic resources of the subcontinent be developed and how long might it take in view of the following considerations:

- 5 -

CONFIDENTIAL

SECRET

1. Reluctance of the USSR to create a strong Communist state which it might be unable to control?
2. Inability of the Soviet bloc to supply the necessary economic and technical assistance?
3. Transportation difficulties?
4. Any other?

III. WHAT WOULD BE THE POLITICAL AND PSYCHOLOGICAL CONSEQUENCES OF COMMUNIST CONTROL OF THE SUBCONTINENT?

- A. In terms of the East-West conflict, what political, ideological or psychological advantages or disadvantages might accrue to the USSR, as a consequence of Communist control of the subcontinent, in:
1. The Middle East?
  2. Southeast Asia?
  3. The non-Communist Far East?
  4. Western Europe?

- 6 -

SECRET  
CONFIDENTIAL